

**MAINTENANCE COMMITTEE
MEETING MINUTES
10 April 2013**



**Location: IADC
Crown Center 1 & 2 Conference Rooms**

Call to Order / Introductions:

The committee was welcomed by the 2013 IADC Maintenance Committee Chairman, Mr. Ken Gardner. A building security and safety briefing was given by Mr. John Pertgen (IADC). The Chairman cordially thanked Transocean for sponsoring both the breakfast and lunch for the meeting. This was followed by a short introduction by each attendee at the meeting.

The Chairman provided an overview of the proposed agenda for our meeting.

IADC Antitrust Policy and Guidelines and committee Mission Statement:

The Chairman reviewed the committee Mission Statement with the group. Thereafter, Mr. Pertgen provided an overview of the IADC Antitrust Policy and Guidelines.

Regulatory Review:

American Petroleum Institute (API)- Ms. Holly Hopkins provided information on the following topics:

- API RP96- 1st edition was published April 2013
- Chemical Safety Board- Federal court denied Transocean's request to invalidate CSB subpoenas
- BSEE SEMS II- final rule published 5 April 2013, addressing Stop Work Authority, Ultimate Work Authority and Employee Participation Plan, and guidelines for reporting unsafe working conditions
- API RP75- Revision group kick-off meeting was held on 16 February 2013
- BSEE Draft Safety Culture Policy Statement- This statement speaks directly to the offshore operators and contractors regarding BSEE's approach to safety culture
- NOSAC- Next meeting 17-18 April in NOLA, which will accept applications for appointment of new members
- USCG Harmonization- No comments to API were received from our members on the proposed amendments to revise regulations to harmonize US regulations with international standards.
- TWIC Reader- USCG issued a proposed rule on who and where TWIC readers will be required.

IADC- John Pertgen provided the Committee with information about the two IADC-published semi-annual regulatory reports:

International Standards Activities affecting the Offshore Oil and Gas Industries --

This report provides a handy reference to the standards development activities of various organizations (e.g., the International Maritime Organization, International Labor Organization, the International Organization for Standardization, and various international trade associations).

Federal Regulatory Actions Impacting the Offshore Industry –

This report provides a reference summary that reflects the regulatory actions, announced in the Federal Register by U.S. governmental agencies, which may affect operations in the oil and gas industries.

(Note: Both reports are available at: <http://www.iadc.org/iadc-committees/iadc-offshore-operating-division/offshore-reporting/>)

Additionally, Mr. Pertgen provided the below highlights from the recent Federal Summary on national issues (for a complete list or further information on any issue, please see the full report via the link above):

NIOSH

- On 14 January 2013 ([78 FR 2618](#)) HHS issued a Final Rule, which set the minimum alarm set point for Self Contained Breathing Apparatus at 25% of rated service and allows the manufacturers to offer remaining service life set points at a higher value or values appropriate to the purchaser's use scenario. Effective date: 13 February 2013

USCG

- On 2 April 2013 ([78 FR 19725](#)) the USCG issued a Notice seeking public comments regarding the merchant mariner medical evaluation program. Congress had directed the USCG to assess whether or not a system similar to the FMCSA or the FAA could be applied by them in making medical fitness determinations for issuance of merchant mariner documents. Comment due date: 3 May 2013.
- On 28 February 2013 ([78 FR 13481](#)) the USCG issued an Interim rule with a request for comments regarding the adopted MARPOL Annex V (garbage) amendments, which came into force on 1 January 2013. These regulations prohibit the discharge of garbage from vessels unless expressly allowed. The only allowed discharges will be certain food wastes, cargo residues, cleaning agents and additives in wash waters, and animal carcasses. This rulemaking is applicable to all U.S.-flagged vessels, wherever they operate, and non-U.S.-flagged vessels (including MODUs) operating in the navigable waters or Exclusive Economic Zone of the United States, with limited exceptions. Affected vessels will be required to replace their current garbage discharge placards with new ones since they contain language that is inconsistent with the MARPOL Annex V amendments. Effective date: 1 April 2013. Comment due date: 29 May 2013
- On 11 February 2013 ([78 FR 9709](#)) the Coast Guard issued a Notice of availability and request for comments regarding a draft NVIC (Navigation and Vessel Inspection Circular). This draft sets forth the USCG policies and procedures regarding the inspection of U.S. vessels for voluntary compliance with the Maritime Labour Convention, 2006 (MLC 2006), which enters into force on 20 August 2013. The US has not yet ratified MLC 2006 and unless or until the US ratifies the Convention, the USCG will not enforce its requirements on U.S. vessels or foreign vessels while on the navigable water of the US. However, US vessels that are not in compliance with the MLC may be at risk for Port State Control actions, including detention, when operating in a port of a ratifying nation. The NVIC will provide guidance to inspectors, the industry and other affected parties with regards to how the USCG plans to implement the new voluntary inspection program. The USCG is also asking for comments regarding the collection of information associated with the new voluntary inspection program. Comment due date for draft NVIC: 13 March 2013. Comment due date for information collection: 12 April 2013.
- On 23 January 2013 ([78 FR 4855](#)) the Coast Guard issued a Notice that set the calendar year 2013 minimum drug testing rate at 25 percent of the covered crewmembers (reduced from the previous 50% rate). Effective date: 1 January 2013 through 31 December 2013
- On 22 March 2013 ([78 FR 17781](#)) the USCG issued an NPRM that proposes to require owners and operators of certain vessels and facilities regulated by the Coast Guard to use electronic readers designed to work with the TWIC as an access control measure. This NPRM also proposes additional requirements associated with electronic TWIC readers, including recordkeeping requirements for those owners and operators required to use an electronic TWIC reader, and security plan amendments to incorporate TWIC requirements. The TWIC program, including the proposed TWIC reader requirements in this rule, is an important component of the Coast Guard's multi-layered system of access control requirements and other measures designed to enhance maritime security. This rulemaking action, once final, would build upon existing Coast Guard regulations designed to ensure that only individuals who hold a TWIC are granted unescorted access to secure areas at those locations. The Coast Guard has already

promulgated regulations pursuant to the Maritime Transportation Security Act of 2002 (MTSA) that require mariners and other individuals to obtain a TWIC and present it for inspection by security personnel prior to gaining access to such secure areas. By requiring certain vessels and facilities to perform TWIC inspections using electronic TWIC readers, this rulemaking would further enhance security at those locations. This rulemaking would also implement the Security and Accountability for Every Port Act of 2006 electronic TWIC reader requirements. Comment due date: 21 May 2013

EPA

- On 12 April 2013 ([78 FR 21938](#)) the EPA issued a Notice of final permit issuance, which finalizes the NPDES Vessel General Permit (VGP) for EPA Regions 1 thru 10, to authorize discharges incidental to normal vessel operation of non-military and non-recreational vessels greater than or equal to 79 Feet in length. This revised VGP imposes more prescriptive technology-based effluent limitations for their oil-to-sea interfaces; and numeric technology-based effluent limitations that are applicable to vessels with ballast water tanks. Effective date: 19 December 2013
- On 22 March 2013 ([78 FR 17661](#)) the EPA issued a Notice proposing the reissuance of a general permit in the Federal Waters of Cook Inlet, which would authorize certain discharges of pollutants into Cook Inlet Federal waters from oil and gas exploration facilities subject to limits and requirements designed to minimize pollution and protect water quality. Comment due date: 21 May 2013
- On 30 January 2013 the EPA issued a Final Rule ([78 FR 6674](#)) that, among other things, established management practices as an alternative to the numeric emission limits for existing diesel engines on offshore drilling vessels (MODUs), which are required to comply with 40 CFR 55 (OCS Air Regulations) on all OCS areas. The exceptions to this rulemaking include the areas where most MODU's currently operate, which are under the jurisdiction of the Department of Interior, and include the western and central portions of the Gulf of Mexico and offshore of the northern slope of Alaska.

The final amendments specify that owners and operators of existing non-emergency diesel engines >300 hp on offshore drilling vessels are required to meet the below listed requirements as of 1 April 2013.

- Change the oil every 1000 hours of operation or annually (whichever occurs first)*
- Inspect and clean air filters every 750 hours of operation or annually and replace as necessary
- Inspect fuel filters and belts, if installed, every 750 hours of operation or annually and replace as necessary
- Inspect all flexible hoses every 1000 hours of operation or annually and replace as necessary

*NOTE: Owners and operators can elect to use an oil analysis program to extend the oil change requirement

Additionally, owners and operators of these diesel engines must develop a maintenance plan that specifies how the management practices will be met and keep records to demonstrate that the required management practices are being met. Effective date: 1 April 2013

BSEE

- On 5 April 2013 ([78 FR 20423](#)) the BSEE issued a Final Rule, which revised and added several new requirements to the regulations for SEMS. These pertain to the Stop Work Authority (SWA) and Ultimate Work Authority (UWA), requiring an Employee Participation Plan (EPP) and establishing guidelines for reporting unsafe working conditions. This rulemaking also establishes additional JSA requirements for activities in the operator's SEMS. Lastly, it requires that the SEMS program must be audited by an accredited service provider. Effective date: 4 June 2013

IADC Drilling Manual: Mr. Pertgen inquired if anyone would be able to assist another IADC task group that is revising the Drilling Manual. In particular, the new chapter in this manual regarding chains and sprockets needs to be reviewed by someone with the technical expertise in that area. Should you or someone in your company have that experience and knowledge, and wish to influence the information in this important manual, please notify John Pertgen (IADC) at john.pertgen@iadc.org no later than 30 April 2013. [Once again, this is only with regards to a single chapter of the manual]

Action Item 1- Any maintenance committee member (or other member of their respective company) that has the expertise and the willingness to review the above indicated chapter of the revised Drilling Manual, should notify Mr. Pertgen via email no later than 30 April 2013.

Main Presentation:

Overview of Well Control Committee and the challenges they face by Dan Munoz (Transocean)

Mr. Munoz covered the mission statement for his committee, followed by his committee structure. Thereafter he noted the following challenges that his group has encountered:

- Support from the members
- Expanding for International involvement
- Identifying a “champion” on projects
- Moving beyond training focus to comprehensively address well control issues

Lastly, Mr. Munoz related the areas where his committee was directing their focus. They are:

- WellCap training curriculum
- Revamping well control training
- Establishing a definition for barriers
- Application of API standards
- August 2013 Well Control Conference
- How better to share the Lesson Learned

Lunch & Learn:

Discussion with Rolls Royce (RR) representatives (Peter Redpath and Randall Nunmaker) regarding proposed coverage of maintenance matters in the Gulf Region for Korean installed Hyundai Himsen engines on rigs built in Korea. The committee will set up an ad-hoc group to identify issues and provide their results to RR. The Chairman will select those that will participate in the ad-hoc group and thereafter, he will provide feedback to the RR representative regarding the output of that group.

Mr. Pertgen briefed the committee on the details of the newly proposed 2014 Operational Integrity-Maintenance Conference, which is to be held next August (2014) in the Houston area. A list of the proposed topics for this conference was given to all attendees and they were requested to review it and propose any additional areas that needed to be added before the list of abstracts was to be sent out. Additionally, all attendees were asked if they wanted to participate in the Planning Committee for this new conference. [NOTE: The Chairman, vice-chairman, and the IADC liaison are, by default, automatically members of this planning committee.]

Action Item 2- Any committee members or meeting attendees interested in being part of the 2014 Operational Integrity – Maintenance Conference planning committee should notify Mr. Pertgen via john.pertgen@iadc.org no later than 30 April 2013.

Afternoon Portion:

Caterpillar

-Caterpillar (Mike Birkinshaw) provided an update from their work group meetings that covered the 3612 engines and other related equipment, as well as other issues that are currently under review.

-NOV Presentation- (Mike Loucaides, Bob Nicholson, Shawn Firenza) included the following:

- NOV Overview including Internal structure and the corporate vision
- Aftermarket - Quality process including drops team, communications, major projects, proactive maintenance, and spares support
- Product Management- including products in the project environment, and develop of better tools
- Uptime Improvement- including collaboration with customers

After much discussion within the group, it was decided that the committee needs a bucket list (prioritized) provided to the NOV representative to identify critical issues to address and the types of equipment they are related with. (Suggested areas include: top drives, hydro-rackers and software control).

The vice-chairman, Mr. Frank Breland, will be the point of contact to receive inputs from our members, collate them, and provide the information to the Chairman, who will inform the NOV representative.

Action Item 3- The committee members will identify their specific areas of concern, including the specific equipment involved, to Mr. Frank Breland via fbreland@dodi.com no later than 30 May 2013. Thereafter, Mr. Breland will present the prioritized list to the Chairman, who will inform the NOV representative of its contents.

Topic for future meetings-

None at this time were presented.

Open Forum

No additional topics were recommended

Adjourned: 1535hrs

ACTION ITEM SUMMARY

1. Any maintenance committee member (or other member of their respective company) that has the expertise and the willingness to review the chapter of the revised Drilling Manual, regarding chains and sprockets, should notify Mr. Pertgen via email no later than 30 April 2013
2. Any committee members or meeting attendees interested in being part of the 2014 Operational Integrity – Maintenance Conference planning committee should notify Mr. Pertgen @ john.pertgen@iadc.org no later than 30 April 2013.
3. The committee members will identify their specific areas of concern regarding NOV equipment, including the specific equipment involved, to Mr. Frank Breland via fbreland@dodi.com no later than 30 May 2013. Thereafter, Mr. Breland will present the prioritized list to the Chairman, who will inform the NOV representative of its contents.

Meeting lunch sponsors for 2013 committee meetings held at IADC are:

09 January 2013-		Diamond
10 April	-	Transocean
10 July	-	SeaDrill Americas
09 October	-	Canrig Drilling Technology

Attendance:

Name		Company Name
Holly	Hopkins	API
Richard	Helmersson	BP America
Mike	Birkinshaw	Catepillar
Frank	Breland	Diamond Offshore Drilling Inc
Ian	Murdoch	Diamond Offshore Drilling Inc
David	Balsiger	Ensco plc
Kelly	Williamson	Guidevue Inc
Bill	Waldroop	Gulf Coast Training Technologies
John	Pertgen	IADC
Peter	Pilon	Kittiwake Americas
Troy	Schwartz	Life Cycle Engineering (LCE)
Mike	Poland	Life Cycle Engineering (LCE)
William (Bill)	Ely	Lloyd's Register Drilling Integrity Services Inc
Donna	Odegard	Management Resources Group Inc
Ashe	Menon	National Oilwell Varco
Kevin	Warren	Noble Drilling (US) LLC
David	Fisette	Noble Drilling Services Inc
Richard	Sporn	Noble Drilling Services Inc
Raymond	Bland	Pacific Drilling Services Inc
Ricardo	Robles Jr	Pacific Drilling Services Inc
Jaime	Vargas	Precision Drilling
Peter	Redpath	Rolls-Royce
Rory	Magdaleno	Rowan Companies
Ken	Gardner	Transocean
Dan	Munoz	Transocean